

These notes refer to the Income Tax (Trading and Other Income) Act 2005 (c.5) which received Royal Assent on 24 March 2005

INCOME TAX (TRADING AND OTHER INCOME) ACT 2005

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 2: Trading income

Chapter 2: Income taxed as trade profits

Section 14: Visiting performers: supplementary

98. This section sets out the regulation-making powers that are needed for the operation of section 13. It is based on sections 556 and 557 of ICTA.
99. *Subsection (1)* is a regulation-making power to deal with the consequences of including in the performer's profits payments made to another person. It may be appropriate to allow a deduction for expenses incurred by another person (typically, but not necessarily, the person to whom the payments are made). And, if the payments are treated as receipts of the performer's trade, they may be excluded from the calculation of the other person's profits.
100. Section 556(5) of ICTA apparently means that the regulation-making power in section 556(3) of ICTA is itself capable of being disapplied by a regulation. This is illogical. So the reference to section 556(3) in section 556(5) of ICTA is not rewritten in this Act.
101. *Subsection (2)* is a regulation-making power to deal with calculation of the performer's profits.